

§ 58-7-185. Prohibited investments and investment underwriting.

(a) In addition to investments excluded under other provisions of this Chapter, except with prior approval by the Commissioner, an insurer shall not directly or indirectly invest in or lend its funds upon the security of:

- (1) Issued shares of its own capital stock, except in connection with a plan for purchase of the shares by the insurer's officers, employees, or agents. No such stock shall, however, constitute an asset of the insurer in any determination of its financial condition.
- (2) Except with the Commissioner's consent, securities issued by any corporation or enterprise, the controlling interest of which is or will after acquisition by the insurer be held directly or indirectly by the insurer or any combination of the insurer and the insurer's directors, officers, parent corporation, subsidiaries, or controlling stockholders. Investments in subsidiaries under G.S. 58-19-10 are not subject to this provision.
- (3) Repealed by Session Laws 2001-223, s. 8.13.

(b) No insurer shall underwrite or participate in the underwriting of an offering of securities or property by any other person. (1991, c. 681, s. 29; 2001-223, ss. 8.12, 8.13.)